

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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We have performed the procedures enumerated below, which were agreed to by the State of Delaware Office of Auditor of Accounts, the State of Delaware Department of Education, and the New Castle County Vocational-Technical School District management solely to assist the specified parties in evaluating New Castle County Vocational-Technical School District's compliance with 29 Del. C. c. 75, the State of Delaware Budget and Accounting Manual, and the Department of Education's School Construction Technical Assistance Manual for the fiscal year ended June 30, 2005. The New Castle County Vocational-Technical School District management is responsible for compliance with State Laws and procedures relative to the school construction projects administered by the district. This agreed-upon procedures engagement was conducted in accordance with *Government Auditing Standards (2003)*, issued by the Comptroller General of the United States of America and the attestation standards established by the American Institute of Certified Public Accountants that have been incorporated by the *Government Auditing Standards (2003)*. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Determine if the New Castle County Vocational-Technical School District complied with the prior fiscal year's recommendations, if applicable, by reviewing these recommendations and verifying through inquiry and observation that the recommendation has been implemented.

There was one finding and recommendation (Finding #03-01) in the prior fiscal year. The current status of that recommendation is attached on page 3.

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2. Determine that prior year and fiscal year 2005 construction project files and records, as indicated in the attached Schedule of Construction Projects Examined, were accurate and expenditures were made in accordance with the intent of the project scope mandated by the General Assembly, the Department of Education and the New Castle County Vocational-Technical School District Board of Education by applying the procedures in the Construction Program Checklist prepared by the State of Delaware, Office of Auditor of Accounts.

Our procedures disclosed no instances of noncompliance that resulted in findings and recommendations

3. Be alert to situations or transactions that could be indicative of fraud, illegal acts, and violations of provisions of contracts or grant agreements, and abuse or misuse of State funds.

Our procedures disclosed no situations or transactions that could be indicative of fraud, illegal acts, and violations of provisions of contract and abuse or misuse of state funds.

The results of our procedures were discussed at an exit conference with Jason Hale, Director of Business, New Castle County Vocational-Technical School District.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the school district's compliance with 29 Del C. c. 75, the State of Delaware Budget and Accounting Manual, and the Department of Education's School Construction Technical Assistance Manual. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Enclosed is a schedule of Construction Projects Examined for the fiscal year ended June 30, 2005. This schedule is for informational purposes only.

This report is intended for the information and use of the School District management and Board Members, Department of Education, Office of the Governor, Office of Controller General, Office of Attorney General, Office of the Budget, Department of Finance, and Office of Auditor of Accounts and is not intended to be and should not be used by anyone other than these specified parties. However, under 29 Del. C., Section 10002(d), this report is a public record and its distribution is not limited.

McBride, Shogan & Co

Wilmington, Delaware
January 26, 2006

FINDING 03-01

We noted during our agreed-upon procedures that the archival-quality copies of the architectural and engineering drawings of the Hodgson Vocational Technical school building had not been deposited with the Department of State (State Archives). Per the Del. C., Title 29, Section 507, "Complete copies of as-builts drawings and specifications for all buildings and other public works that are built on state property, including alterations thereto, shall be deposited with the Delaware Public Archives for preservation and safekeeping".

RECOMMENATION

We recommend that copies of the archival-quality copies of the architectural and engineering drawings be sent to the State Archives per the applicable section of the Del.C.

AUDITEE'S RESPONSE 06/30/03

New Castle County Vocational Technical School District recognizes the importance of archiving architectural and engineering drawings. It has been the District's practice to include these responsibilities within the agreements for architectural and engineering services. Though the responsibility to perform this function was included within the contractual agreement, the District recognizes that it is our responsibility to ensure the process was completed. The architect was unable to show evidence of the successful submission of architectural and engineering drawings to the State Archives. Therefore, New Castle County Vocational Technical School District has completed the necessary paperwork and has received approval from State Archives to deliver the drawings. The District's final resolution of this finding is pending the scheduling of a delivery by the State Archives.

AUDITEE'S RESPONSE 06/30/04

On January 24, 2005 the archival-quality copies of the architectural and engineering drawings of the Hodgson Vocational Technical High School Culinary Arts Cafeteria Renovation Project were deposited with the Department of State (State Archives). The district had received confirmation of receipt of engineering drawings from the State Archives on February 8, 2005.

CURRENT STATUS

The archival-quality copies of the architectural and engineering drawings of the Hodgson Vocational Technical High School Culinary Arts Cafeteria Renovation Project were deposited with the Department of State (State Archives). This finding is no longer applicable.

NEW CASTLE COUNTY VOTECH
SCHEDULE OF CONSTRUCTION PROJECTS EXAMINED
FISCAL YEAR ENDED JUNE 30, 2005

Project Name	Funding Year	Original Funding Amount	De-Authorization Funding	Total Project Funding Life to Date	Expended Current FY	Expended Prior FY	Total Project Expenditures Life to Date	Total Unspent Fund Balance June 30, 2005
St. Georges Construction	01	3,333,300		1,333,300	104,122	1,229,178	1,333,300	-
	02	2,166,700	(2,000,000)	2,166,700	1,001,729	26,663	1,028,392	-
	03	18,000,000		18,000,000	8,969,032	-	8,969,032	1,138,308
Marshallton Cafeteria Renovations	03	60,000	-	60,000	-	60,000	60,000	-
	03	40,000	-	40,000	-	40,000	40,000	-
	03	383,559	-	383,559	-	383,559	383,559	-
				483,559		483,559	483,559	
		\$ 23,983,559	\$ (2,000,000)	\$ 21,983,559	\$ 10,074,882	\$ 1,739,400	\$ 11,814,283	\$ 10,169,276

See Accountant's Report.